

Warm-up

Calculate the CPP for Jesse who earns \$2725 biweekly.

Exemption \$3500

CPP 4.95%

4.95% of 2590.38
0.0495 x 2590.38

Three Steps...

1. $\$3500 / 26 = \134.62
2. $\$2725 - 134.62 = \2590.38
3. $\$2590.38 \times 0.0495 = \128.22

or you can use the chart

2003.60 - 2003.80	92.52	2018.15 - 2018.34	93.24	2679.36 - 2689.35	126.21	3399.36 - 3409.35	161.85
2003.81 - 2004.00	92.53	2018.35 - 2018.54	93.25	2689.36 - 2699.35	126.71	3409.36 - 3419.35	162.35
2004.01 - 2004.20	92.54	2018.55 - 2018.75	93.26	2699.36 - 2709.35	127.20	3419.36 - 3429.35	162.84
2004.21 - 2004.40	92.55	2018.76 - 2018.95	93.27	2709.36 - 2719.35	127.70	3429.36 - 3439.35	163.34
2004.41 - 2004.60	92.56	2018.96 - 2019.15	93.28	2719.36 - 2729.35	128.19	3439.36 - 3449.35	163.83
2004.61 - 2004.81	92.57	2019.16 - 2019.35	93.29	2729.36 - 2739.35	128.69	3449.36 - 3459.35	164.33
2004.82 - 2005.01	92.58	2019.36 - 2029.35	93.54	2739.36 - 2749.35	129.18	3459.36 - 3469.35	164.82
2005.02 - 2005.21	92.59	2029.36 - 2039.35	94.04	2749.36 - 2759.35	129.68	3469.36 - 3479.35	165.32
2005.22 - 2005.41	92.60	2039.36 - 2049.35	94.53	2759.36 - 2769.35	130.17	3479.36 - 3489.35	165.81

Net Pay

STEPS: Calculate...

1. "Before tax Deductions" Pension
Union Dues
2. Taxable income (gross - before tax deductions)
3. Federal Tax Look in Table (Taxable income)
4. Provincial tax
5. CPP Based on your gross pay
6. EI
7. NET PAY Gross - all deductions.

if you calculate, don't forget the exemption.

HOMEWORK...use the 2015 tables!

Caleb works as a fishing guide and makes \$950 per week. He has to pay a guiding uniform fee of \$15 and a \$5 life insurance.

Determine his **net pay using claim code 2!**

- STEPS: Calculate...**
1. "Before tax Deductions"
 2. Taxable gross pay
 3. Federal Tax
 4. Provincial tax
 5. CPP
 6. EI
 7. NET PAY

Gross Earnings	\$ 950	*
Union Dues / Pension	\$ 0	*
Taxable Income	\$ 950	
Federal Tax	\$ 99.85	*
Provincial Tax	\$ 75.65	*
C.P.P.	\$ 43.69	*
E.I.	\$ 17.86	*
Other Deductions	\$ 15 + 5 = 20	*
Net Pay	\$ 692.95	

Handwritten notes: "taxable" in green next to Taxable Income; "Gross" in red next to Gross Earnings.

HOMEWORK...use the 2015 tables!

Caleb works as a fishing guide and makes \$950 per week. He has to pay a guiding uniform fee of \$15 and a \$5 life insurance.

Determine his **net pay using claim code 2!**

- STEPS: Calculate...**
1. "Before tax Deductions"
 2. Taxable gross pay
 3. Federal Tax
 4. Provincial tax
 5. CPP
 6. EI
 7. NET PAY

Gross Earnings	\$ 950
Union Dues / Pension	\$ 0
Taxable Income	\$ 950
Federal Tax	\$ 99.85
Provincial Tax	\$ 75.65
C.P.P.	\$ 43.69
E.I.	\$ 17.86
Other Deductions	\$ 20
Net Pay	\$ 692.95

C.P.P

E.I

OR USE A TABLE

Class work/ HOMEWORK...

P. 87 2 - 6

 2.4 Build Your Skills Detailed Solutions.pdf

Attachments

Tables - Fed_Prov Tax and CPP_EI July 2015.pdf

Assignment - Earning an Income Dec. 2015.doc

NB Tax 2013.pdf

2.4 Build Your Skills Detailed Solutions.pdf